

**AMENDMENTS TO THE SPECIFICATION**

Please delete the paragraph beginning at page 6, line 11 and replace as follows:

It is to be understood that the systems and methods described herein may be implemented in various forms of hardware, software, firmware, special purpose processors, or a combination thereof. In particular, the present invention is preferably implemented as an application comprising program instructions that are tangibly embodied on one or more program storage devices (e.g., hard disk, magnetic floppy disk, RAM, ROM, CD ROM, etc.) and executable by any device or machine comprising suitable architecture, such as a general purpose digital computer having a processor, memory, and input/output interfaces. It is to be further understood that, because some of the constituent system components and process steps depicted in the accompanying Figures are preferably implemented in software, the connections between system modules (or the logic flow of method steps) may differ depending upon the manner in which the present invention is programmed. Given the ~~teachers~~ teachings herein, one of ordinary skill in the related art will be able to contemplate these and similar implementations of the present invention.

Please delete the paragraph beginning at page 18, line 17 and replace as follows:

Referring now to FIG. 6, a method 600 of creating the tactical model, in accordance with one embodiment of the present invention is illustrated. The tactical model is generally an extension of the strategic model illustrated in FIG. 4. The tactical model introduces an additional constraint to the strategic model. An on-hand inventory constraint is introduced (at ~~605~~ 610). The on-hand inventory constraint provides the value,  $x_{it}$ , to the strategic model. As previously mentioned, a novelty of the present invention is that the goods are nonperishable. The value,  $x_{it}$ ,

represents the quantity of a product manufactured in a particular price class that was not sold in the current time period. As a result, the product will be sold in the next time period as the strategic model is recreated (at 315).